

**AMENDMENT TO H.R. 2179**  
**OFFERED BY MR. SHADEGG**

**Access to regulatory data**

After section 8, insert the following new sections  
(and redesignate the succeeding sections accordingly):

1   **SEC. 9. METHOD OF MAINTAINING BROKER/DEALER REG-**  
2                   **ISTRATION, DISCIPLINARY, AND OTHER**  
3                   **DATA.**

4       Subsection (i) of section 15A of the Securities Ex-  
5 change Act of 1934 (15 U.S.C. 78o-3(i)) is amended to  
6 read as follows:

7       “(i) OBLIGATION TO MAINTAIN REGISTRATION, DIS-  
8 CIPLINARY AND OTHER DATA.—

9               “(1) MAINTENANCE OF SYSTEM TO RESPOND  
10       TO INQUIRIES.—A registered securities association  
11       shall—

12               “(A) establish and maintain a system for  
13       collecting and retaining registration informa-  
14       tion;

15               “(B) establish and maintain a toll-free  
16       telephone listing, and a readily accessible elec-  
17       tronic or other process, to receive and promptly  
18       respond to inquiries regarding—



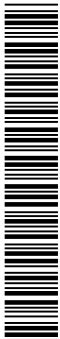
1 “(i) registration information on its  
2 members and their associated persons; and

3 “(ii) registration information on the  
4 members and their associated persons of  
5 any registered national securities exchange  
6 that uses the system described in subpara-  
7 graph (A) for the registration of its mem-  
8 bers and their associated persons; and

9 “(C) adopt rules governing the process for  
10 making inquiries and the type, scope, and pres-  
11 entation of information to be provided in re-  
12 sponse to such inquiries in consultation with  
13 any registered national securities exchange pro-  
14 viding information pursuant to subparagraph  
15 (B)(ii).

16 “(2) RECOVERY OF COSTS.—Such an associa-  
17 tion may charge persons making inquiries, other  
18 than individual investors, reasonable fees for re-  
19 sponses to such inquiries.

20 “(3) PROCESS FOR DISPUTED INFORMATION.—  
21 Such an association shall adopt rules establishing an  
22 administrative process for disputing the accuracy of  
23 information provided in response to inquiries under  
24 this subsection in consultation with any registered



1 national securities exchange providing information  
2 pursuant to paragraph (1)(B)(ii).

3 “(4) LIMITATION OF LIABILITY.—Such an asso-  
4 ciation, or exchange reporting information to such  
5 an association, shall not have any liability to any  
6 person for any actions taken or omitted in good  
7 faith under this subsection.

8 “(5) DEFINITION.—For purposes of this sub-  
9 section, the term ‘registration information’ means  
10 the information reported in connection with the reg-  
11 istration or licensing of brokers and dealers and  
12 their associated persons, including disciplinary ac-  
13 tions, regulatory, judicial, and arbitration pro-  
14 ceedings, and other information required by law, or  
15 exchange or association rule, and the source and sta-  
16 tus of such information. ”.

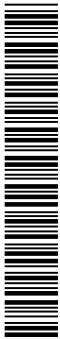
17 **SEC. 10. FILING DEPOSITORIES FOR INVESTMENT ADVIS-**  
18 **ERS.**

19 (a) AMENDMENT.—Section 204 of the Investment  
20 Advisers Act of 1940 (15 U.S.C. 80b-4) is amended—

21 (1) by striking “Every investment” and insert-  
22 ing the following:

23 “(a) IN GENERAL.—Every investment”; and

24 (2) by adding at the end the following:



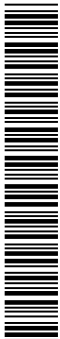
1       “(b) FILING DEPOSITORIES.—The Commission may,  
2 by rule, require an investment adviser—

3               “(1) to file with the Commission any fee, appli-  
4 cation, report, or notice required to be filed by this  
5 title or the rules issued under this title through any  
6 entity designated by the Commission for that pur-  
7 pose; and

8               “(2) to pay the reasonable costs associated with  
9 such filing and the establishment and maintenance  
10 of the systems required by subsection (c).

11       “(c) ACCESS TO DISCIPLINARY AND OTHER INFOR-  
12 MATION.—

13               “(1) MAINTENANCE OF SYSTEM TO RESPOND  
14 TO INQUIRIES.—The Commission shall require the  
15 entity designated by the Commission under sub-  
16 section (b)(1) to establish and maintain a toll-free  
17 telephone listing, and a readily accessible electronic  
18 or other process, to receive and promptly respond to  
19 inquiries regarding registration information (includ-  
20 ing disciplinary actions, regulatory, judicial, and ar-  
21 bitration proceedings, and other information re-  
22 quired by law or rule to be reported) involving in-  
23 vestment advisers and persons associated with in-  
24 vestment advisers.



1           “(2) RECOVERY OF COSTS.—An entity des-  
2           ignated by the Commission under subsection (b)(1)  
3           may charge persons making inquiries, other than in-  
4           dividual investors, reasonable fees for responses to  
5           inquiries made under paragraph (1).

6           “(3) LIMITATION ON LIABILITY.—An entity  
7           designated by the Commission under subsection  
8           (b)(1) shall not have any liability to any person for  
9           any actions taken or omitted in good faith under  
10          this subsection.”.

11          (b) CONFORMING AMENDMENTS.—

12           (1) Section 203A of the Investment Advisers  
13          Act of 1940 (15 U.S.C. 80b-3a) is amended—

14                   (A) by striking subsection (d); and

15                   (B) by redesignating subsection (e) as sub-  
16          section (d).

17           (2) Section 306 of the National Securities Mar-  
18          kets Improvement Act of 1996 (15 U.S.C. 80b-10,  
19          note; P.L. 104–290; 110 Stat. 3439) is repealed.

